

ANNUAL REPORT OF THE
SIC SUBCOMMITTEE ON
SHIPBUILDING FOR
FISCAL 1967

A. Activities of the Subcommittee

During Fiscal 1967 the Subcommittee continued to follow the monthly meeting format used during the previous year. The meetings have become an effective forum for the presentation and discussion of new intelligence and new analysis on naval and shipbuilding matters in the Communist world. These meetings are strongly supported in the intelligence community by analysts and naval officers representing all aspects of the problem and the agencies include CIA, DIA, ONI and NSA.

A number of important tasks have been accomplished through the meeting format. In addition to reporting on new intelligence, the meetings have helped to isolate the key intelligence problems as well as provide a direct and efficient means of communication between the various offices and agencies. In this process priority research and collection deficiencies have been identified in a meaningful manner and these can be related to specific intelligence targets. The continuing exchanges, in addition, tends to reduce the areas of substantive differences and to a practical extent determines the areas in which there is basic agreement -- in effect an informal list of agreed basic statistics.

Over the past year the Subcommittee engaged in several coordination efforts. Members of the Subcommittee served on a special working group that reviewed submarine order-of-battle. The Subcommittee discussed and made recommendations concerning the need for and the periodicity of international intelligence conferences.

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The Subcommittee has become a useful and necessary activity in the community. Its usefulness has been enhanced because of the all source nature of the discussions. Improvements, however, also are necessary and these should include a better balance between new intelligence and new analysis than now exists, and a closer working relationship with the submarine technical working group of the SIC.

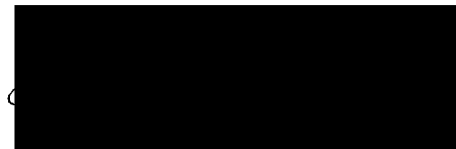
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There was nothing to report concerning review of substantive papers, the review of proposals for external research, projects undertaken at the request of the EIC or proposed to the EIC, or intelligence research techniques.

B. Future Program of the Subcommittee

Fiscal year 1968 should be important for new intelligence that should resolve some of the crucial intelligence problems on the Soviet Navy. The Subcommittee plans to continue the monthly meeting discussions, with greater emphasis upon analytical discussions.



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Executive Secretary
Shipbuilding Subcommittee
Economic Intelligence Committee

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